



**OPENING SPEECH BY MR PETER ONG, CHAIRMAN,
ENTERPRISE SINGAPORE, AT COMMODITY TRADING WEEK
ASIA PACIFIC ON 24 JANUARY 2024**

Distinguished guests,
Ladies and gentlemen,

1. Good morning.
2. It is a great pleasure to welcome you to Commodity Trading Week Asia Pacific 2024, the very first in Asia Pacific and Singapore.
3. Singapore's selection as host city for this inaugural event is a testament to our role as a global trade hub. Situated in the heart of Asia, our world-class financial infrastructure and business-friendly environment have made Singapore a magnet for commodity traders.

Singapore as a leading global trade and innovation hub

4. Today, Singapore is home to a diverse mix of some 400 global traders. This includes top global traders – from energy traders such as Exxon Mobil, Jera, and Saudi Aramco, to agri giants like Cargill and COFCO, to iron ore producers including BHP and Rio Tinto.
5. In line with the growth of offshore trade flows through Singapore, we also continue to see more traders beyond Asia anchoring their operations here.
 - a. Producers from the Middle East and Latin America have set up trading entities in Singapore to manage their Asia Pacific trade. This includes the Abu Dhabi National Oil Company (ADNOC) in the UAE and Colombia's largest conglomerate, Ecopetrol Group.

6. Importantly, traders are choosing Singapore as the place to conduct key business functions such as innovation and sustainability, going beyond just buy-sell activities.
 - a. For instance, Yara International, a Norwegian MNC and global trader of agricultural inputs, established a digital hub here in Singapore serving Asia and Africa. Through the Singapore digital hub, the team develops digital solutions to help smallholders sustainably improve their yields in Asia and Africa.

Future of Trade: innovation is key for firms to achieve sustainable growth

7. The past few years have been challenging for the commodities sector. Energy crises, supply chain restructuring amid increasing geopolitical tensions, and global macroeconomic uncertainty have made for a volatile climate. Global trade flows are also shifting with new technologies and greater cross-border data flows.
8. Amid all these challenges and changing landscape, firms need to innovate to stay relevant and competitive in the long term.
9. Singapore is the ideal place for traders to drive your innovation agenda and explore new technologies. Why?
10. Singapore ranks 2nd globally on the Bloomberg innovation Index, which scores economies on metrics like R&D spending and concentration of high-tech public companies.

11. Singapore also leads Southeast Asia in venture capital funding; in the first 9 months of 2023, we accounted for more than 60% of the total share of funding raised in the region.¹
12. Collectively, our vibrant innovation ecosystem offers traders access to a strong network of over 4,000 tech startups, 400 venture capital firms, and some 250 innovators and accelerators in Singapore.
13. What this means is that we have a growing cluster of trade technology providers offering solutions specific to the commodities trading sector.
14. For instance, Kpler (pronounced “cap-ler”), a global trade intelligence firm, opened their first office in Singapore in 2015 to leverage on the increasing number of spot LNG trades done in Asia to provide real-time information on flows to its customers. Today, it has grown its business to provide these intelligence across commodity types, with Singapore playing a significant role, to cross US\$100 million in recurring revenue. For Kpler and other service providers, Singapore offers a good springboard to the regional commodities community.
15. We will also continue strengthening the ecosystem, to help our traders build capabilities to support their innovation journey. Solution providers with similar intention can reach out to Enterprise Singapore to understand more about partnering with us.

Singapore remains committed to support traders and strengthen our ecosystem

16. Enterprise Singapore has partnered the industry to encourage traders to drive innovation and digitalisation activities from Singapore. Today, I will share three examples to illustrate our commitment:

¹ Source: [Singapore Venture Funding Landscape 2023 9-month report](#)

17. First, to develop digital infrastructure to enable more efficient trade, Enterprise Singapore partnered the industry to launch the Singapore Trade Data Exchange (“SGTraDex”). SGTraDex facilitates secure data sharing between ecosystem partners. One benefit for the bunkering industry is greater transparency for bunkering financing through digitalisation. For instance, marine fuel supplier, Equatorial Marine Fuel, estimates that onboarding SGTraDex would improve the firm’s efficiency through manpower savings by 85% or around 50,000 manhours annually.²

18. Second, to encourage innovation, Enterprise Singapore connects traders with solution providers.
 - a. For example, with our facilitation, Robust International, a local agri-commodities trader, has onboarded Trames’ (pronounced “trah-mess”) bespoke logistics solution for their operations in Africa. Robust is now able to have better visibility over their supply chain movement.

 - b. We have also formalised such partnerships through the Sustainability Open Innovation Challenge (SOIC). SOIC provides a platform for corporates to collaborate with global and local startups – to co-develop and pilot innovative solutions to address their sustainability-related challenges. I am happy to share that more than half of the corporate demand drivers for the latest edition of SOIC are global trading companies. I also look forward to having more of you join us in the future editions.

19. Third, we support traders venturing into growth areas such as agrifood-tech. The government supported the launch of olam food ingredients’ (“ofi”) Singapore Customer Solutions Centre. This will help ofi’s customers develop new products to meet evolving consumer trends, using ingredients from ofi’s portfolio of cocoa, coffee, dairy, nuts, and spices.

² Source: [Interview with Equatorial Marine Fuel](#)

20. Such initiatives have helped cement our position as a trading and innovation hub. But, without the close cooperation of our industry partners, these efforts would not have borne fruit.
21. So come work with us. I encourage the industry players here: the movers, producers, innovators, and distributors, to join us in shaping a future where innovation lies at the heart of commodity trading in Singapore.
22. I wish you all a fruitful conference ahead.
23. Thank you.

– End –